

DIVIDEND DISTRIBUTION POLICY



1. BACKGROUND AND APPLICABILITY

The Dividend Distribution Policy is being adopted and published in compliance with SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016. The SEBI vide this notification dated July 8, 2016 introduced a new regulation 43A which prescribed that the top five hundred (500) listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed in their annual report and on their website.

The regulation further prescribed that, the dividend distribution policy shall include the following parameters;

- a. The circumstances under which their shareholders can or cannot expect dividend;
- b. The financial parameters that will be considered while declaring dividends;
- c. Internal and external factors that would be considered for declaration of dividend;
- d. Policy as to how the retained earnings will be utilized.
- e. Provisions in regard to various classes of shares.

When the company proposes to declare dividend on the basis of parameters other than what is mentioned in such policy or proposes to change its dividend distribution policy, the same along with the rationale shall be disclosed in its Annual Report and on its website.

The Board of Directors ("**Board**") of Manpasand Beverages Limited ("**Company**") has adopted this Dividend Distribution Policy to comply with these requirements.

2. DIVIDEND

Dividend represents the profit of the Company, which is distributed to shareholders in proportion to the amount paid-up on shares they hold. Dividend includes Interim Dividend.

3. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY EXPECT DIVIDEND

The Board will assess the Company's financial requirements, including present and future growth opportunities and other relevant factors (as mentioned elsewhere in this policy) and declare Dividend in any financial year.

The Dividend for any financial year shall normally be paid out of the Company profits for that year. This will be arrived at after providing for depreciation in accordance with the provisions of the Companies Act, 2013. If circumstances require, the Board may also declare dividend out of accumulated profits of any previous financial year(s) in accordance with provisions of the Act and Regulations, as applicable.

In case the Board proposes not to distribute the profit; the ground thereof and information on utilisation of the undistributed profit, if any, shall be disclosed to the shareholders in the Annual General Meeting of the Company.

4. INTERIM AND FINAL DIVIDEND

The Board may declare one or more Interim Dividends during the year. Additionally, the Board may recommend Final Dividend for the approval of the shareholders at the Annual General Meeting. The date of the Board meeting in which the Dividend proposal will be considered, will be provided to the stock exchanges, as required by Listing Regulations.

5. FINANCIAL PARAMETERS AND OTHER INTERNAL AND EXTERNAL FACTORS THAT WOULD BE CONSIDERED FOR DECLARATION OF DIVIDEND:

- Plough back of Profits i.e. future capital expenditure programme including;
 - New Project
 - Expansion of Capacities of existing units
 - Renovations/ Modernisation
 - Acquisition of brands/business
 - Major Repairs and Maintenance etc.
- Distributable surplus available as per the Act and Regulations
- The Company's liquidity position and future cash flow needs
- Track record of Dividends distributed by the Company and Payout ratios of comparable companies.
- Prevailing Taxation Policy or any amendments expected thereof, with respect to Dividend distribution
- Capital expenditure requirements considering the expansion and acquisition opportunities
- Cost and availability of alternative sources of financing
- Stipulations/ Covenants of loan agreements
- Macroeconomic and business conditions in general
- Any other relevant factors that the Board may deem fit to consider before declaring Dividend

6. UTILISATION OF RETAINED EARNINGS

Subject to applicable regulations, the Company's retained earnings shall be applied for:

- Funding growth needs including working capital, capital expenditure, repayment of debt, etc.
- Buyback of shares subject to applicable limits
- Payment of Dividend in future years
- Issue of Bonus shares
- Any other permissible purpose

7. PROVISIONS IN REGARD TO VARIOUS CLASSES OF SHARES

The Company currently has only one class of shares, viz. equity, for which this policy is applicable. The policy is subject to review if and when the Company issues different classes of shares.

8. MODIFICATION OF THE POLICY

The Board is authorised to change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Companies Act, 2013 and SEBI Regulations, etc.

9. DISCLAIMER

This document does not solicit investments in the Company's securities. Nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.